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Government of India
Ministry of Commerce & Industry
Department Of Commerce
(Directorate General of Anti-Dumping & Allied Duties)

New Delhi Dated the 19th November, 2007

INITIATION NOTIFICATION

Sub: Initiation of anti-dumping investigations concerning imports of Cathode Ray Colour Television Picture Tubes originating in or exported from Malaysia, Thailand, China and Korea RP.

No.14/8/2007-DGAD. M/s Samtel Color Limited and JCT electronics Limited has filed an application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff (Amendment) Act, 1995 and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 alleging dumping of complete or incomplete cathode ray colour television picture tubes originating in or exported from Malaysia, Thailand, China and Korea RP and have requested for initiation of anti-dumping investigations and levy of anti-dumping duties.

2. PRODUCT UNDER CONSIDERATION

The product under consideration in the present petition is “complete or incomplete cathode ray colour television picture tubes”, more elaborately described as “thermionic, cold cathode or photo cathode valves and tubes such as vacuum or vapor or gas filled valves and tubes, mercury arc rectifying valves and tubes, also called cathode ray tubes, television camera tubes or cathode ray colour television picture tubes, or colour television picture tubes, or colour picture tubes etc.” and has been referred to as Colour Picture Tubes or “CPT” in this petition. Video and computer monitor cathode ray tubes are however sought to be kept beyond the scope of the present petition. These products are mainly applied in colour television sets.

The subject goods fall under Chapter 85 of the Custom Tariff Act, 1975 under subheading no. 8540.11. The customs classification is indicative only and is in no way binding on the scope of the present investigation.

3. DOMESTIC INDUSTRY STANDING

The application has been filed by M/s Samtel Color Limited and JCT Elecctronics Limited. The petitioner has provided information relevant to the present investigations. The subject goods are also produced by BPL Display Devises Limited and Hotline CPT Limited. Production of the petitioner constitutes more than 50% of Indian production. Production of the petitioner company constitutes a major proportion in Indian production.

The Authority after examination, has determined, that the petitioner constitutes domestic Industry within the meaning of the rule 2(b) read with 2(d) and the application satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

4. COUNTRIES INVOLVED

Petition has been filed seeking imposition of anti dumping duties on imports of the product under consideration from Malaysia, Thailand, China and Korea RP (hereinafter also referred to as subject countries).

5. LIKE GOODS

The petitioner has claimed that goods produced by domestic industry are like articles to the goods originating in or exported from subject countries. It has been stated that there is no significant difference in the subject goods produced by the petitioner and those exported from subject countries. Petitioner claims that the two are technically and commercially substitutable. For the purpose of present investigation, the goods produced by the petitioner are being treated as Like Articles to the product imported from the subject countries within the meaning of the Rules supra.

6. NORMAL VALUE

The petitioner has claimed that China PR should be treated as non-market economy and have determined normal value in accordance with Para 7 and 8 of Annexure I of the anti dumping rules. The petitioner has submitted that normal value determined for other subject countries (which are being treated market economy countries) may be considered for determination of normal value for China.

In accordance with Para 7 to Annexure-I of the Rules, it is envisaged to choose Thailand, Korea RP or Malaysia as an appropriate market economy country for the purpose of establishing normal value in respect of China PR. Interested parties are hereby invited to comment on the appropriateness of this choice within the specific time limit laid down in this notification.

With regard to normal value in Thailand, Malaysia and Korea RP, petitioner has claimed normal values for the subject goods considering estimates of cost of production including selling, general & administrative overheads and reasonable profit. Normal value has been separately determined for all sizes. .

7. EXPORT PRICE

Petitioner has claimed export price of the subject goods from the subject countries on the basis of import price in the proposed period, based on transaction wise import data provided by the DGCI&S, IBIS and actual information on imports reported at ICD, Dadri. Export price has been separately determined for all sizes.

Adjustments have been claimed on account of ocean freight, marine insurance and inland transportation in the country of exports, port handling and port charges to arrive at ex-factory export price. There is sufficient evidence of the export price for the subject goods from the subject countries.

8. DUMPING MARGIN

Normal value and export price have been compared at ex-factory level, separately for all sizes, which shows significant dumping margin in respect of each of the subject countries for each of the product. It is considered that there is sufficient *prima facie* evidence that the normal value of the subject goods in the subject countries is significantly higher than the ex-factory export price indicating, *prima facie*, that the subject goods are being dumped by exporters from the subject countries.

9. INJURY AND CAUSAL LINK

Petitioner has furnished information on various parameters relating to material injury to the domestic industry. Parameters such as increase in imports in absolute terms as also relative to production and consumption in India, significant price underselling, increase in inventories, Increase in the market share of the domestic industry but not in proportion to increase in demand, significant increase in financial losses , significant decline in cash profit and return on investment, significant price

underselling, *prima facie*, collectively and cumulatively indicate that the domestic industry has suffered material injury on account of dumping of subject goods from subject countries. There is sufficient *prima facie* evidence that the domestic industry has suffered material injury as a result of dumped imports.

10. INITIATION OF ANTI DUMPING INVESTIGATIONS

AND WHEREAS, the Authority finds that sufficient *prima facie* evidence of dumping of subject goods from the subject countries, injury to the domestic industry and causal link between dumping and injury exist, the Authority hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of the Rule 5 of the said Rules to determine the existence, degree and effect of the alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the injury to the domestic industry.

11. PERIOD OF INVESTIGATION (POI)

The Period of Investigation for the purpose of the present investigation is 1st July, 2006 to 30th June, 2007 (12 months). However, the period for injury examination would cover periods from 1st April 2004 to the end of the POI.

12. SUBMISSION OF INFORMATION

The exporters in the subject countries and their Government through their embassy in India, importers and users in India known to be concerned and the domestic industry are being informed separately to enable them to file all information relevant in the form and manner prescribed. Any other party interested to participate in the present investigation may write to:

The Designated Authority,

Directorate General of Anti-Dumping & Allied Duties

Ministry of Commerce & Industry,

Department of Commerce,

Room No. 240, Udyog Bhavan,

New Delhi-110011

As per Rule 6(5) of Rule supra, the Designated Authority is also providing opportunity to the industrial users of the article under investigation, and to representative consumer organizations who can furnish information which is relevant to the investigation regarding dumping, injury and causality. Any other interested party may also make its submissions relevant to the investigation within the time limit set out below.

13. TIME LIMIT

a) **General Time Limits**

Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than forty (40) days from the date of publication of this notification, The known exporters and importers, who are being addressed separately, are, however, required to submit the information within (40) forty days from the date of the letter addressed to them. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record their findings on the basis of the facts available on record in accordance with the Rules supra.

b) **Specific time limit for selection of market economy country**

Interested parties to the investigation may wish to comment on the appropriateness of Thailand, Korea RP and Malaysia which, as mentioned in the Para 5 of this initiation notification, envisaged as a market economy country for the purpose of establishing normal value in respect of the China PR. These comments must be submitted within two weeks from the date of publication of this notification.

14. SUBMISSION OF INFORMATION ON NON-CONFIDENTIAL BASIS

In terms of Rule 7, the interested parties are required to submit non-confidential summary of any confidential information provided to the Authority and if in the opinion of the party providing such information, such information is not susceptible to summarization, a statement of reason thereof, is required to be provided.

15. INSPECTION OF PUBLIC FILE

In terms of Rule 6(7), Designated Authority maintains a public file. Any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

16. NON COOPERATION

In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Designated Authority may record findings on the basis of facts available and make such recommendations to the Central Government as deemed fit.

(R. Gopalan)
Designated Authority